

Message Text

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ACTION EB-08

INFO OCT-01 ARA-10 ISO-00 FEA-01 AGRE-00 CEA-01
CIAE-00 COME-00 DODE-00 FRB-01 H-02 INR-07 INT-05
L-03 LAB-04 NSAE-00 NSC-05 PA-02 AID-05 SS-15
STR-04 ITC-01 TRSE-00 USIA-15 PRS-01 SP-02 OMB-01
/094 W

-----250624Z 086324 /14

R 241930Z MAR 77

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC 0730

INFO AMCONSUL SAO PAULO

AMCONSUL RIO DE JANEIRO

UNCLAS BRASILIA 2303

PASS AGRICULTURE

E.O. 11652: N/A

TAGS: EAGR ETRD BR

SUBJECT: SOYBEAN EXPORT TAX

REF: BRASILIA 2151

1. ON MARCH 23 THE GOB ANNOUNCED THE ESTABLISHMENT, EFFECTIVE IMMEDIATELY, OF A 7 PERCENT EXPORT TAX ON ALL EXPORTS OF SOYBEANS, SOYBEAN MEAL AND SOYBEAN OIL. THE TAX WILL BE APPLIED ON THE FOB VALUE OF ALL EXPORT SHIPMENTS EFFECTIVE 23 MAR 1977. FUNDS COLLECTED FROM TAX WILL BE DEPOSITED IN A QUOTE FUND FOR THE DEFENSE OF EXPORT PRODUCTS UNQUOTE. FUND TO BE USED TO FINANCE SUBSIDY FOR DOMESTIC PRICES OF SOYBEAN PRODUCTS. ACCORDING TO FINANCE MINISTER SIMONSEN (JORNAL DE BRASILIA, 24 MAR 77), THE SUBSIDY WILL MAKE POSSIBLE FREEZING OF DOMESTIC SOYBEAN (OIL) PRICES AT CURRENT LEVELS AND THE REDUCTION OF SOYBEAN MEAL PRICES FROM THE CURRENT LEVEL OF CR\$3.40 PER KG TO CR\$2.50 PER KG. (CR\$12.98 - US\$1.00)

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2. FARM LEADERS HAVE EXPRESSED DISPLEASURE WITH THE MEASURE.

3. MINISTRY OF AGRICULTURE OFFICIALS HAVE PRIVATELY ADMITTED THAT THEY DO NOT FAVOR SCHEME. THEY BELIEVE THE TAX WILL CAUSE FURTHER INCREASES IN WORLD SOYBEAN PRICES, WHICH IN TURN WILL TRIGGER INCREASES IN THE NEW EXPORT TAX.

4. EMBASSY WILL REPORT ADDITIONAL INFORMATION AS IT
BECOMES AVAILABLE.
CRIMMINS

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, SOYBEANS, EXPORT CONTROLS, TAXES
Control Number: n/a
Copy: SINGLE
Sent Date: 24-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BRASIL02303
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770102-0577
Format: TEL
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770328/aaaaaxub.tel
Line Count: 66
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b84c20b3-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 BRASILIA 2151
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29-Sep-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3013308
Secure: OPEN
Status: NATIVE
Subject: SOYBEAN EXPORT TAX
TAGS: EAGR, ETRD, BR
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/b84c20b3-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
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